

DEPARTMENT OF HEALTH & HUMAN SERVICES



Program Support Center

Debt Collection Center

CERTIFICATE OF INDEBTEDNESS

Nursing Scholarship Program (NSP)

Catherine S. Lovett
99 Clyde Rd
Benton, PA 17814
REF:
SSN:

Total debt due United States as of March 6, 2024: \$25,076.07 (principal \$13,532.00; interest \$11,544.07).

I certify that the Department of Health and Human Services' (HHS) records show that the individual named above is indebted to the United States in the amount stated. Interest accrues on the principal amount of this debt at the fixed rate of 10.5% per annum. The interest accrues at \$3.89 per day.

Catherine Lovett submitted an application and signed a contract to participate in the Nursing Scholarship Program (NSP), Section 846(d) of the Public Health Service Act (42 U.S.C. § 297n(d)).

On September 10, 2010, she was approved to receive a scholarship award for the 2010-2011 school year. The funds received totaled \$13,532.00 representing tuition, fees, monthly stipends, and other reasonable educational costs.

One of the conditions for receipt of funds is that the participant maintain enrollment as a full-time student until completion of the course of study for which the scholarship was provided. On January 25, 2012 her enrollment in nursing school was terminated.

Pursuant to 42 U.S.C. 297n(g)(1)(A), if a participant fails to maintain an acceptable level of academic standing in the nursing program, is dismissed from the nursing program for disciplinary reasons, or voluntarily terminates the nursing program, the participant is liable to the Federal Government for the amount of his or her award, and for interest on that amount at the maximum legal prevailing rate. The amount the Federal Government is entitled to recover is due no later than three (3) years from the date of the participant's default.

On June 14, 2012, she was notified by letter that she had been placed in default of the conditions of her contract effective January 25, 2012. She was informed of the annual interest rate applicable to her debt and advised that interest would accrue on the unpaid principal balance from the date of default until the debt is paid in full. She was advised the debt must be paid within three years from the date of default. Instructions were enclosed for requesting a repayment agreement if she was unable to remit the total amount due.

On December 26, 2014, she was notified that her debt was due to be paid in full within 30 days. She was also informed that failure to make payments would result in her account being referred to a private collection agency, the Department of Treasury, and/or DOJ for enforced collection.

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In a letter dated March 30, 2015, she was advised that her account had been referred to a private collection agency. She was notified that unless payment in full or an RA was concluded, the account would be referred to DOJ for enforced collection.

By letter dated April 10, 2015, she was advised that her account was delinquent. She was notified of HHS' intent to refer her debt to other Federal agencies for the purpose of administrative offset, which may include Federal tax refund offset, salary offset, wage garnishment, and other Federal or State Agencies payments. She was advised that paying the debt in full or entering an RA would terminate administrative offset.

Additional notifications and demand letters regarding the indebtedness were sent on the following dates: December 06, 2019, June 05, 2020, November 21, 2023, and February 22, 2024.

By letter dated March 6, 2024, Ms. Lovett was sent a final notice regarding the delinquent debt she was advised that if payment was not received within thirty days, the debt would be referred to the DOJ for litigation. She did not respond.

The following provides a breakdown of payments made on the debt:

Voluntary Payments	07/07/2015 to 06/04/2020	\$5,900.00
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Repeated attempts by HHS have been unsuccessful in establishing an acceptable repayment agreement. The debt is now being referred to the U.S. Department of Justice (DOJ), for enforced collection.

CERTIFICATION: *Pursuant to 28 U.S.C. 1746, I certify under penalty of perjury that the foregoing is true and correct.*

Date

Melodie R. Sanders
Chief, Debt Referral Section
Program Support Center
U.S. Department of Health and Human Services